

PURPOSE: The purpose of this document is to share the Division's preliminary recommendations for its rate proposal for the 2017/18 biennium. Final recommendations will be submitted to the Executive for consideration in June 2016, with rate transmittal to Council anticipated for late June.

RATE DRIVERS

Goals: (Adopted from the King County code, Strategic Climate Action Plan, and city/county interlocal agreements)

- Achieve zero waste of resources by 2030, with an interim goal of 70% recycling by 2020.
- Provide disposal for unincorporated King County and partner cities through 2040.
- Achieve carbon neutral division operations by 2025.

What The Rate Pays For

- The increase primarily covers the increased cost of current services and pays for planned capital improvements at the Cedar Hills landfill and transfer stations.
- The increase also adds spending to reinforce service reliability and conduct a transfer station demand management pilot project.

Recommended Actions for 2017 and 2018.

- Sustain current services and reinforce service reliability through equipment replacement, Cedar Hills wastewater improvements, and other means.
- Substantially increase recycling for single-family curbside customers in unincorporated areas through alternate week garbage collection, weekly organics collection included in curbside services, and required separation of recyclables and organics.
- Require self-haul customers to separate recyclables at transfer stations and initiate planning for development of local capacity for mixed waste processing.
- Complete development underway at Cedar Hills as a precursor to additional capacity that provides disposal through 2040.

Outcomes.

- Increase single-family recycling rates in the unincorporated areas from 48% to 68%,
- Recycle an added 42,000 tons per year at transfer stations,
- Provide disposal for unincorporated areas and partner cities through 2040 with a lower rate impact than other options, and
- Achieve carbon neutral division operations by 2025.

PRELIMINARY 2017-2018 SOLID WASTE RATES

By The Numbers:

4 years	Time since the last rate increase.
\$22 million	Amount that customers will not pay in 2015-2016 due to deferral of a scheduled 2015-2016 rate increase.
\$120.17 per ton	Current basic fee in place since 2013.
\$140 per ton	Preliminary new basic fee for 2017-2018, which is consistent with other providers' rates and in line with the basic fee projected in the last rate proposal.
\$1.06 per month	Bill increase for a typical single-family curbside customer averaged across the system. This equates to a 4% to 7% increase in monthly bill for typical single-family curbside customer in the unincorporated area, depending on location.

Figure 1: Roadmap to 70% Recycling

Includes both waste prevention and resource recovery actions; Relies on action by cities and King County

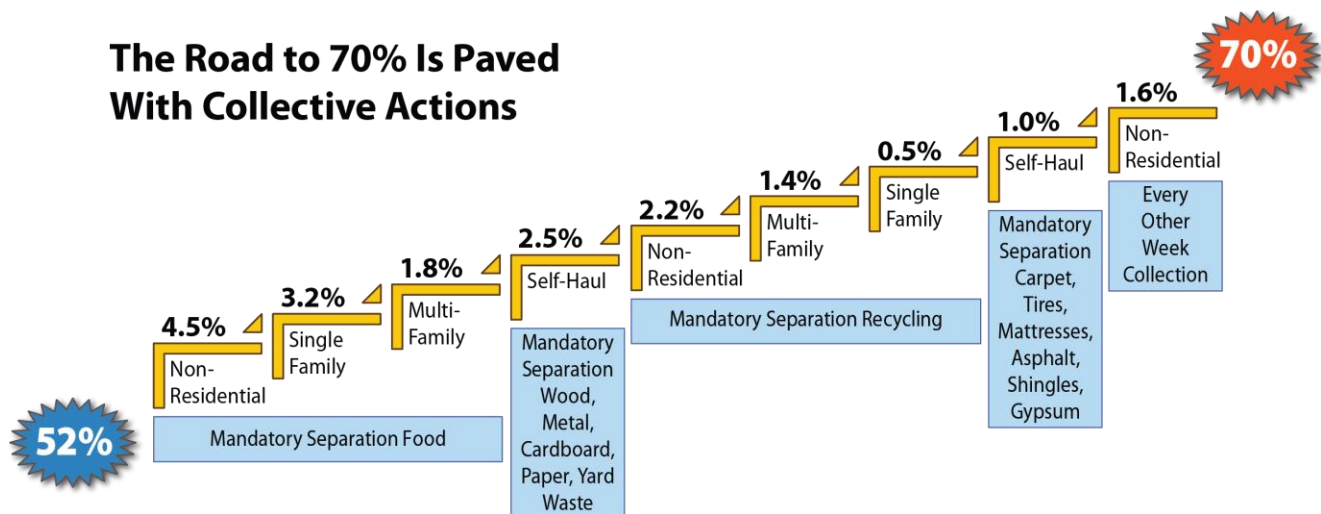


Figure 2: Services Funded by the Preliminary 2017-2018 Solid Waste Rates

